

**APPROVAL OF ALTERNATE LOCATION FOR
CONSTRUCTION AND OPERATION OF A HIGH ROPES
ADVENTURE/CHALLENGE COURSE**

A Recommendation

1. **Division and Department:** Operations and Finance and Student Affairs Divisions
2. **Introduction:** On February 5, 2018, the Board of Trustees (Board) authorized the Chief Operating Officer to negotiate and execute a lease with Auburnfly, LLC, for the construction and operation of a high ropes adventure/challenge course (Adventure Course) upon terms and conditions that among other things included:
 - The lease of 3 to 5 acres within a 9.1 acre site in a section of mature hardwood trees located in the northeast quadrant of OU's campus, depicted as Location Two on Attachment A.
 - Parking for the Adventure Course would be permitted on the adjacent grass field directly to the East of the facility.
 - The terms of the lease would be for nine years with OU's option to renew the lease for two additional two-year periods.
 - The Adventure Course would be aesthetically and functionally integrated into the surrounding environment and would be constructed in a manner that has negligible environmental impact, and in a manner for potential removal at the end of the lease term.

The Board discussed the proposed location of the Adventure Course, noting that the proposed location was adjacent to the northeast corner of OU's campus, and that the corner is of strategic value to the University and the University's Master Plan. Given those considerations, the Board instructed the Chief Operating Officer to include a termination for convenience provision in the lease so that the University could maximize the use and value of all the University's property.

The parties have negotiated in good faith, but have been unable to reach agreement around issues involving the proposed location of the Adventure Course *vis a vis*, the University's desire to maintain flexibility to use and develop the northeast corner of OU's campus.

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Therefore, pursuant to the Board of Trustee's Policy and Procedures for Disposal, Acquisition, Lease and Other Transfer of Real Property Interests, the Administration seeks authority to utilize an alternate location for the Adventure Course, depicted as Location Three on Attachment A.

The terms of the lease would then also include (collectively the Additional Terms):

- Siting the location of the Adventure Course at Location Two, but with the University's option to relocate: (i) the parking from the adjacent grass field directly east of the facility to another location at any time; and (ii) the Adventure Course to Location Three no sooner than three (3) years after the commencement of operations of the Adventure Course.
 - Siting the location of the Adventure Course immediately at Location Three.
 - If Location Three is utilized for the Adventure Course, then the Adventure Course will be aesthetically and functionally integrated into the surrounding environment, will be constructed in a manner that has negligible environmental impact and for potential removal at the end of the lease term, and will not interfere with operations for performances at the Meadow Brook Amphitheatre.
3. **Previous Board Action:** On February 5, 2018, the Board authorized the Chief Operating Officer to negotiate and execute a lease with Auburnfly, LLC, for the construction and operation of an Adventure Course.
4. **Budget Implications:** Upon commencement of operations, the Administration estimates the aerial course to generate approximately \$35,000 in rent for OU in the first year of operation, \$62,000 in the second year, \$80,000 in the third year, \$100,000 in the fourth year, and \$120,000 in the fifth year, with rents to stabilize or increase during the final years of the lease.
5. **Educational Implications:** The Adventure Course will enhance student life by providing students and student organizations learning opportunities anchored in experiential education. In this unique setting, student engagement will occur that leads to students learning effective communication, team building, and problem-solving skills, as well as having fun.

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6. **Personnel Implications:** None. Administrative oversight of the course will be integrated into Recreation and Well-Being.
7. **University Reviews/Approvals:** This proposal was reviewed and approved by the Chief Operating Officer.
8. **Recommendation:**

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer to negotiate and execute a lease with Auburnfly, LLC upon the terms and conditions referenced in the February 5, 2018 Agendum item with Additional Terms included; and, be it further

RESOLVED, that the Board of Trustees authorizes the Chief Operating Officer and his respective designees to perform all acts and deeds and execute and deliver all contracts, instruments and documents that are necessary, expedient and proper in connection with the lease; and, be it further

RESOLVED, that the lease and all other contracts, instruments and documents shall be reviewed and approved by the Office of the Vice President for Legal Affairs and General Counsel prior to execution, and shall be in compliance with the law and University policies and regulations, and shall conform to the legal standards and policies of the Vice President for Legal Affairs and General Counsel.

9. **Attachments:**

A. OU Campus Site Map

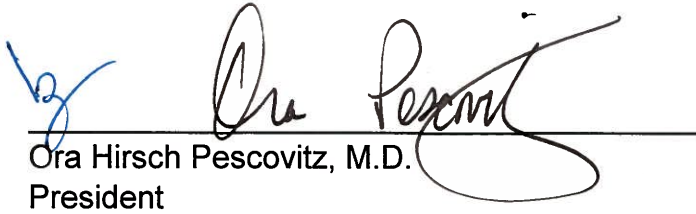
Submitted to the President
on DEC 7, 2018 by



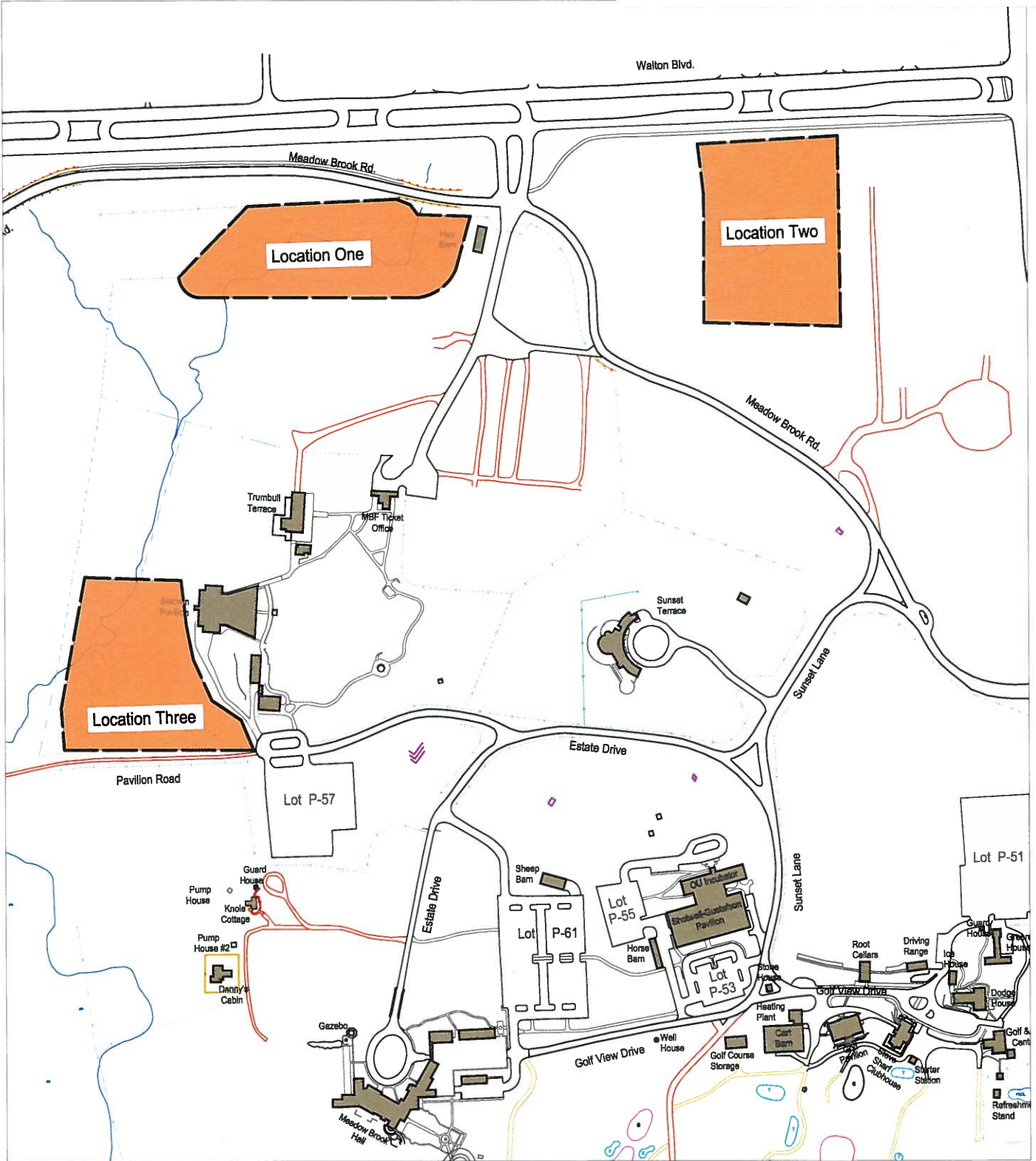
Scott G. Kunselman
Chief Operating Officer

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Recommended on 12/7, 2018
to the Board for Approval by



Ora Hirsch Pescovitz, M.D.
President



Proposed Adventure Park Site Locations

Date: December 2016
Scale: 1" = 400'

